



CECONOMY

CECONOMY finds sustainable solution for MediaMarkt Greece

02 July 2019

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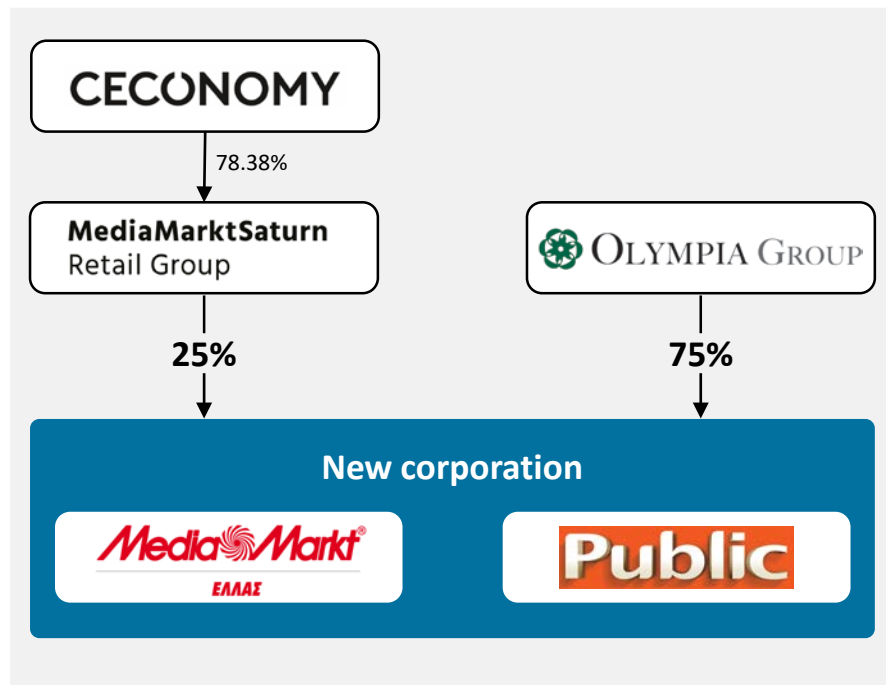
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All numbers shown are as reported, unless otherwise stated. All amounts are stated in million euros (€ million) unless otherwise indicated. Amounts below €0.5 million are rounded and reported as 0. Rounding differences may occur.

CECONOMY's majority shareholding MediaMarktSaturn and Olympia Group create a new company with a 25%/75% shareholding in Greece

Target structure



Highlights

- CECONOMY's majority shareholding MediaMarktSaturn and Olympia Group have signed a deal to create a new company in Greece and Cyprus
- Transfer of entire Greek MediaMarkt retail business as contribution in kind
- Olympia to contribute Greek CE and entertainment retailer Public covering the Greek & Cypriot market
- Continuation of MediaMarkt and Public store network under their respective brands
- Timing of closing depending on merger control clearance, most likely in FY 2019/20

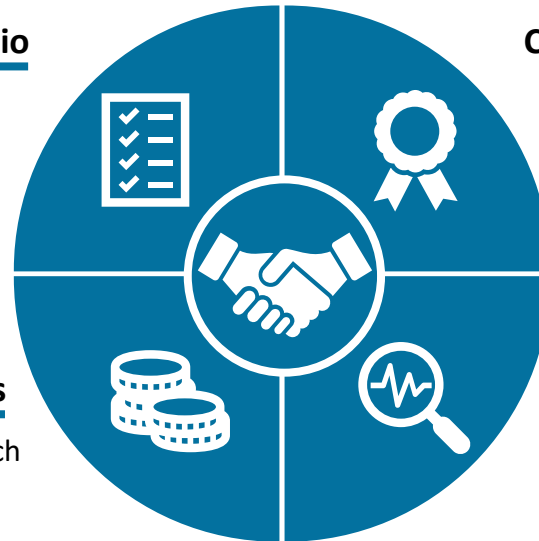
We have found a sustainable solution for our Greek MediaMarket activities and gain an immediate scale advantage

Further optimizing CECONOMY's portfolio

- In line with “Lead or Leave” principle
- Eliminating operational losses

Combining strengths to unlock synergies

- Optimizing assortment and supplier approach
- Optimizing costs from systems alignment



Closing the gap to the market leader

- With an estimated share of c. 14%¹ at eye level with the market leader
- Enabling future-oriented positioning in the Greek & Cypriot market

Participating in a solid business case

- Business plan with positive contribution
- Preferred option with minimized funding requirement

¹ Indicative shares based on publicly available information and own estimates based on own market intelligence.

Public is the preferred partner with a proven track record in local market adaptation and growth



6% market share¹ (4th rank)



Sales of 186 €m in FY 2017/18



Underperforming, but **positive momentum**



Home appliances, TVs and Services



12 stores and 1 online shop



8% market share¹ (3rd rank)



Sales of 256 €m in FY 2018



Profitable business



Technology and entertainment



#1 omnichannel retailer: 55 stores in 2 countries, 2 online shops

¹ Indicative shares based on publicly available information and own estimates based on own market intelligence.

We stop our operational losses and participate in a profitable new company with further upside potential

Low to mid
single-digit €m

Savings from
elimination of
operational
losses

Low
single-digit €m

Expected
at-equity
contribution
run-rate
as of 2022

Financial implications

- Deconsolidation from CECONOMY's consolidated financial accounts
- Elimination of operational losses as part of "reorganization and efficiency program"
- 25% stake recognized and disclosed as at-equity investment at fair value at closing date
- Positive EBIT effect of c.20-35 €m in FY 2019/20¹ expected due to deconsolidation of Greek business and first-time recognition of 25% stake as part of "reorganization and efficiency program"
- Synergies to be realized mainly by leveraging scale and optimizing the assortment

¹ Depending on merger control clearance.

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